CONTRACTS—BY-LAW OF CORPORATION—RESTRAINT OF COMPETITION.—Plaintiff corporation was formed by the farmers of Wray, Colorado, as stockholders, for the purpose of buying and selling their grain. A by-law of the company provides "the stockholders of this company may sell grain to competitors in Wray only, by paying to the secretary of the Wray Farmers' Grain Co., the sum of one cent per bushel for each bushel of grain sold, as his proportional share of the maintenance of the company". Under this by-law plaintiff sued defendant, a stockholder, for $35 for 3,500 bushels sold to plaintiff's competitor in Wray. *Held,* the by-law (which the court considered as a contract) was illegal because in restraint of competition. *Burns* v. *Wray Farmers' Grain Co.* (Colo., 1918), 176 Pac. 487.

By holding the above by-law illegal the court destroyed the effectiveness of this corporation which was a combination in restraint of trade. Similarly, combinations of this nature were invalidated in two Iowa cases on which the court in the instant case relied. *Reeves* v. *Decorah Farmers' Cooperative Society,* 160 Ia. 194; and *Ludovese* v. *Farmers' Mutual Cooperative Co.,* 164 Ia. 197. In the cases of *Slaughter* v. *Thacker Coal & Coke Co.,* 55 W. Va. 642, and *Pocahontas Coke Co.* v. *C. & C. Co.,* 60 W. Va. 508, contracts between the corporations and their members aimed to accomplish the same result as the by-law in the instant case; and they likewise were held illegal. Therefore, attempts to enforce such a combination either by contract or by-law appear to be futile. Combinations like that in the instant case are unlawful because they aim to confer the power to control prices. Neither avowed purposes of public service. *Detroit Salt Co.* v. *Nat. Salt Co.,* 134 Mich. 120; *Pocahontas Coke Co.* v. *C. & C. Co.,* 60 W. Va. 508; *Morris Run Coal Co.* v. *Barclay Coal Co.,* 68 Pa. 173; *Judd* v. *Harrington,* 139 N. Y. 105, nor is the actual accomplishment of results conducive to the public welfare sufficient to make them valid. 20 AM. & ENG. ENC. LAW 849; *Anheuser-Busch Brew. Assoc.* v. *Houck,* 27 S. W. 692; *People* v. *Sheldon,* 139 N. Y. 251.

COURTS—JURISDICTION OVER FOREIGN CORPORATIONS DOING BUSINESS IN THE STATE.—The Atchison, Topeka and Santa Fe Railway Company had no railroad lines in Texas, and had no state permit to do business in the state. It did, however, maintain an office in Amarillo, Texas, near the border, from which the general manager of its Western lines, with the aid of a trainmaster, general foreman, mechanical superintendent, and a clerical force, directed the operation of its lines outside the state. *Held,* that the railway company was not doing business within the state so as to subject it to personal service of state process. *Atkinson, Topeka & Santa Fe Ry. Co.* v. *Weeks* (U. S. Cir. Ct. of App., 5th Cir., 1918), 254 Fed. 513.

The case is of value as another application of the rule that "in order to render a corporation amenable to the service of process in a foreign jurisdiction, it must appear that the corporation is transacting business in that district to such an extent as to subject it to the jurisdiction and laws thereof".—*St. Louis Southwestern Ry. Co.* v. *Alexander,* 227 U. S. 218, 226. No rule more definite than this has been stated, and "each case of this kind must de-

pend upon its own facts".—*Washington-Virginia Ry. Co.* v. *Real Estate Co.*, 238 U. S. 185. In the former case a railroad which did not run east of Illinois was held to be doing business in New York by reason of its having an office there for soliciting freight and adjusting claims. In the latter case a railroad company which operated its lines exclusively outside the state was held to be doing business within it because it maintained a part-time office there for its president, treasurer and bookkeeper, and transferred stock at that office. On the other hand, the Chicago, Burlington & Quincy Railway Company, which had no line east of Chicago, but maintained an office and an agent for soliciting freight and passenger traffic, with a force of clerks, in the City of Philadelphia, was held not to be doing business there so as to be subject to personal service of summons. *Green* v. *Chicago, B. & Q. Ry. Co.*, 205 U. S. 530. See also *People's Tobacco Co.* v. *Am. Tobacco Co.*, 246 U. S. 79, Ann. Cas. 1918 C, 537, note p. 539.

CRIMINAL LAW—COMBINATIONS IN RESTRAINT OF TRADE.—Defendant was indicted for creating and engaging in a combination to maintain the resale price of products which it manufactured, in contravention of the Sherman Anti-trust Act. The method of procedure charged was, in the main, that the defendant urged its distributing dealers not to resell below a stated price, and refused to sell to dealers who did not obey these promptings. *Held*, that the indictment stated no crime. *United States* v. *Colgate and Co.* (D. C., E. D. Va., 1918), 253 Fed. 522.

There was no evidence that the defendant was acting in concert with other manufacturers to maintain prices. The only combination or conspiracy alleged was based upon the acts of the defendant and its distributing customers. It has been indisputably settled that a contract which is part of a system to maintain the resale price of articles in interstate commerce is illegal, as a restraint of trade. *Boston Store* v. *American Graphophone Co.*, 246 U. S. 8; *Ford Motor Co.* v. *Union Motor Co.*, 244 Fed. 156; *Hill Co.* v. *Gray and Worcester*, 163 Mich. 12; 38 U. S. Stat. 730. *Contra, Ingersoll and Bro.* v. *Hahne and Co.*, 88 N. J. Eq. 222. Even a patentee, if he sells the embodiments of his invention at all, can not limit their resale price; public policy requires him in this respect to open his monopoly completely or not at all. *Bauer* v. *O'Donnell*, 229 U. S. 1; *Straus* v. *Victor Talking Mach. Co.*, 243 U. S. 490; *Motion Picture Co.* v. *Universal Picture Co.*, 243 U. S. 502. The contracts of the defendant in this case would, therefore, have been illegal, in the sense of being unenforcible. The decision that the defendant's acts were not indictable is based on two grounds. One is, that the manufacturer of an article may sell it, "with the understanding that such customer will resell only at an agreed price" and may refuse to sell to those who do not conform to such an understanding, without incurring any criminal liability. The other is, that "no averment is made of any contract or agreement having been entered into whereby the defendant, the manufacturer, and his customers bound themselves to enhance and maintain prices, further than is involved in the circumstance that the manufacturer, the defendant here, refused